

**INTERLOCAL COOPERATION AGREEMENT CREATING
THE SOUTH DAVIS METRO FIRE AGENCY, CONSOLIDATING
EMERGENCY PROTECTION SERVICES AND MEDICAL SERVICES
AND PROVIDING RULES OF GOVERNANCE**

This Interlocal Cooperation Agreement is made and entered into as of October 1, 2004 (the AEffective Date≡) by and among Bountiful City, a Utah municipal corporation (ABountiful≡), Centerville City, a Utah municipal corporation (ACenterville≡), Davis County, a political subdivision of the State of Utah (the ACounty≡), North Salt Lake City, a Utah municipal corporation (ANorth Salt Lake≡), West Bountiful City, a Utah municipal corporation (AWest Bountiful≡) and Woods Cross City, a municipal corporation (AWoods Cross≡) (hereinafter known collectively as the AParticipants≡).

RECITALS

- A. Bountiful presently provides fire and emergency medical services within its municipal boundaries. Centerville, the County, North Salt Lake, West Bountiful and Woods Cross presently obtain fire and emergency medical services within their respective boundaries from the South Davis Fire District, an interlocal entity previously created by said entities, which comprise its members.
- B. The Participants have determined that they need consolidated fire and emergency medical services, and that it will be mutually advantageous to each Participant to enter into this Agreement in order to eliminate duplication of efforts, confusion and/or misdirection of information required by emergency medical responders and to improve cooperation and coordination among the multiple agencies and jurisdictions represented by the Participants.
- C. The Participants have further determined that a consolidated fire department and emergency medical services, including paramedic services, coordinated without regard for municipal boundaries, would be cost effective for the participants and would benefit all of the citizens represented by the respective Participants.
- D. It is the desire of the Participants to terminate their present arrangements for such services and to create a new, legal entity having taxing authority to provide the same to the Participants in the future. To that end, the Participants are entering into this Interlocal Agreement in order to make interim preparations to create the legal entity and to take steps to create a consolidated fire department and emergency medical services. The Participants that are members of the South Davis Fire District intend to wind up the affairs of the South Davis Fire District as soon as reasonably practicable.
- E. The fire protection provisions of Title 11, Chapter 7 of the *Utah Code Annotated* and the Utah Interlocal Cooperation Act as set forth in Title 11, Chapter 13 of the *Utah Code Annotated* permit local governmental units to make the most efficient use of their powers and to provide the benefit of economy of scale; authorize counties and municipalities to enter into cooperation agreements with one another for the purpose of exercising on a joint and cooperative basis any powers, privileges and authority exercised or capable of exercise by such public agencies; and authorize such public agencies, pursuant to such agreements, to create a separate legal entity to accomplish the purposes of their joint cooperative action.

NOW, THEREFORE, in consideration of the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Participants do hereby agree as follows:

ARTICLE ONE

CREATION, NATURE AND PURPOSE OF THE SOUTH DAVIS METRO FIRE AGENCY

Section 1.01 Creation and Nature of the Entity

There is hereby created a separate legal entity entitled the South Davis Metro Fire Agency, hereinafter the AAgency,≡ which is created by the Participants pursuant to the terms of this Interlocal Cooperation Agreement and the Interlocal Cooperation Act to serve the area described in Exhibit A, attached hereto and incorporated herein by reference (the AArea≡). It is the intent of the legislative body of each Participant to create this interlocal entity.

Section 1.02 Public Purposes and Responsibilities

The public purposes for which the Agency is created and organized are to provide to the residents and businesses of the Area fire, emergency medical, and other emergency and first responder services including, but not limited to:

- a. Fire prevention, fire pre-planning and training, fire suppression, fire investigation and other fire-related services.
- b. Ambulance and paramedic emergency and non-emergency services.
- c. Response to hazardous materials, flooding, terrorism, and other emergency incidents.

To accomplish these purposes, the Agency shall

1. Establish financial responsibility for operational costs, debt service, risk management insurance, equipment, and new fire stations.
2. Ensure the creation, establishment and implementation of performance standards for the conduct of fire operations and emergency medical services.
3. Provide a mechanism for the monitoring and control of costs, and to oversee and evaluate the performance, proficiency, and cost-effectiveness of the system and to provide for the correction of deficiencies.
4. Establish financing and budgetary procedures for the costs of fire and emergency medical services.
5. Provide trained personnel, technically competent to provide the desired levels of service.

Section 1.03 Fire and Emergency Medical Services

It is the intent of the Participants that the Agency constitute the primary entity providing fire and emergency medical services to the Area. This section relates only to the Participants and has no reference to the right of other parties to provide such services. The Agency is a new entity and is not the legal successor of any previously existing agency, corporation or organization. Except as specifically provided in this Agreement, the Agency is neither liable for payables or other liabilities incurred or existing, whether known or unknown, nor entitled to receivables, of any agency, corporation or organization incurred prior to January 1, 2005.

Section 1.04 Limitation of Participant=s Obligation

The obligations entered into by each of the Participants to this Agreement are limited obligations, and nothing herein shall constitute or give rise to a general obligation or liability of the Participants or charge against their general credit or taxing powers.

ARTICLE TWO GOVERNANCE

The Agency shall be governed by a Board of Directors (the ABoard=), which shall have sole authority to conduct the business of the Agency unless otherwise delegated by the Board to the Fire Chief by this Agreement or through bylaws adopted by the Board.

Section 2.01 Board of Directors and Voting

a. Membership. The Board shall consist of six members, comprised of one (1) member from each Participant. Each Participant=s Board member shall be a member of and appointed by the Participant=s governing body. A Participant may designate an alternate to attend Board meetings in its regular Board member=s absence. Alternate Board members shall have the same voting rights as any other Board member.

b. Quorum. A quorum of four or more Board members shall be necessary to conduct the business of the Agency.

c. Voting. A minimum of four votes is required to approve any action except to adopt or change the by-laws or to change the assessment formulas, which shall require a two-thirds (2/3) vote of the full Board. Each Board member shall have one vote in any actions taken by the Board except when a weighted vote is called for by a Board member. To approve an action by weighted vote, the weighted vote in favor must represent more than 50% of the full Board=s weighted vote, or at least two-thirds (2/3) of the full Board=s weighted vote to approve or change the by-laws or to change the assessment formulas. Upon a call for a weighted vote, each Participant=s vote shall be Aweighted= in accordance with Participant=s most recent assessment for contribution which shall be determined annually. (If a Participant has not paid its most recent assessment as due, its vote shall not be counted whether weighted or otherwise.)

d. Term Length. Each Board member shall serve at the pleasure of the appointing Participant, which may replace its Board member as it desires in accordance with any applicable laws and its own rules and regulations.

e. Vacancies on the Board. In the event of removal, resignation or death of a Board member, the appointing Participant shall promptly appoint a successor to fill the position. Vacancies shall be filled by each Participant in accordance with applicable law and the Participant=s own rules or guidelines for filling such appointments.

Section 2.02 Officers of the Board

a. The officers of the Board shall consist of a chair, vice chair and secretary, who shall be elected by the Board from among the Board members. All officers shall serve for such terms and perform such duties as shall be provided in the by-laws.

b. The chair shall be the presiding officer of the Board. The vice chair shall serve at the request of the chair or in the absence of the chair.

c. The Board may also appoint additional officers and representatives as it deems necessary for the administration of the Agency.

Section 2.03 Meetings of the Board

a. Organizational Meeting. The Board shall conduct an organizational meeting within thirty (30) days of the execution of this Agreement by all Participants. At the organizational meeting the Board shall elect, by motion, a chair, a vice chair and secretary; and perform such other business as the Board deems necessary or prudent to further the purposes of this Interlocal Agreement.

b. Other Meetings. The Board shall have regular meetings at least once every three (3) months, and more frequently if needed or provided for in any by-laws. The chair shall give reasonable notice to all Board members of the time and place of each meeting and shall in all respects follow the requirements of the open and public meeting laws specified in § 52-4-1 et seq., Utah Code Annotated, 1953 as amended, and any other applicable laws.

Section 2.04 Committees

The Board may establish from time to time such committees as shall be deemed appropriate or necessary by the Board to carry out the business of the Agency.

Section 2.05 By-Laws

Subject to the provisions of Section 2.01 herein, the Board shall have the power to adopt, amend, and repeal rules, by-laws, regulations, policies and procedures for the regulation of the affairs and conduct of the business of the Agency.

ARTICLE THREE FINANCIAL MATTERS

Section 3.01 Financial Procedures, Funding and Administrative Services

a. The financial affairs of the Agency shall be conducted in accordance with the Uniform Fiscal Procedures for Special Districts Act and generally accepted accounting principles. The Board shall provide for an annual audit of the financial records of the Agency by an independent certified accounting firm. The Board may promulgate and adopt appropriate policies for the accounting, methods of maintaining accounts and the payment of the obligations of the Agency.

b. The Fire Chief shall prepare an annual budget for consideration and action by the Board.

c. Each Participant shall pay, in ready funds, its proportionate share of the Agency's costs. The assessment shall be based on the fiscal year budget for the Agency, allocated among the Participants according to the assessed value of property within each Participant's municipal boundaries or, in the case of the County, its unincorporated territory within the Area. The initial schedule of each Participant's proportionate share of costs is set forth in Exhibit B attached hereto. Exhibit B also sets forth due dates for payment of quarterly assessments for the first calendar year following the Effective Date and an estimate of such assessments. Interest shall accrue and be charged on all overdue assessments at the rate of 12% per annum commencing 30 days after the assessment due date.

d. Participants shall pay their assessments quarterly on or before the 15th day of the first month of the quarter for which the assessment is due. A Participant's failure to pay any assessment when due shall automatically forfeit the right of the Participant's Board member to vote until the assessment is paid in full. Thirty days after the due date the Agency shall notify the non-paying Participant, in writing, that it is in default. Failure to pay any assessment within ninety (90) days after it is due may be grounds for expulsion of the

Participant as provided in this Agreement. In the event of expulsion, the Agency shall cease to provide fire and emergency medical services within the boundaries of that Participant thirty (30) days from the date of the expulsion. It will thereafter be the obligation of the expelled Participant to make other arrangements to provide such services. Any fire station located within the boundaries of the expelled Participant may or may not remain open as the Board may determine. No expelled Participant shall have any interest in the assets of the Agency. If a Participant is expelled by action of the Board for non-payment of an assessment, the Participant shall nonetheless remain liable to the Agency for any outstanding assessment together with accrued interest thereon.

e. The Board may impose by resolution fees or charges for any commodities, services or facilities provided by the Agency. The Board may adopt rules to assure the proper collection and enforcement of all fees and charges imposed by the Board.

f. The Board may elect to supply its own administrative services, such as personnel, accounting, and legal services.

g. The Fire Chief shall develop a personnel policies and procedures manual for approval by the Board, which shall include a compensation and classification schedule for all full-time and part-time employees. The compensation schedule shall include wages, retirement benefits, overtime, compensatory time as may be required, uniform policy, and other compensation issues.

h. All Participants will adopt a uniform capital facilities plan and uniform impact fee ordinance for fire and emergency medical services, and remit within 60 days after collection all such fees to the Agency.

ARTICLE FOUR POWERS OF THE AGENCY

Section 4.01 Authority

The Agency shall have the authority granted to it pursuant to this Interlocal Agreement and Utah law. It is the intent of the Participants that the Agency constitute the primary entity providing fire and emergency services to the Area.

Section 4.02 Powers

Without limiting the foregoing, the Participants hereby grant the Agency the power:

- a. to sue and be sued in its own name;
- b. to make and execute contracts, Interlocal Agreements, and all other documents and instruments necessary or convenient for the performance of its duties and the exercise of its powers and functions under the Interlocal Cooperation Act;
- c. to acquire, by purchase, lease, gift, or otherwise, any real or personal property in connection with the acquisition or construction of any facility or improvements to be owned, operated and maintained by the Agency;
- d. to receive property, grants, gifts, supplies, materials, contributions, and any benefit derived therefrom, for the provision of fire and emergency medical services;
- e. to authorize and approve expenditures for the creation, maintenance and operation of the programs, facilities or services operated or maintained by the Agency;

f. to select and appoint the Fire Chief and authorize the hiring of such other employees as are deemed necessary to carry out the purposes of the Agency; and

g. to assign, pledge or otherwise convey as security for the payment of any bonded indebtedness, the revenues and receipts from any facility improvement or any service provided by the Agency.

ARTICLE FIVE DUTIES OF THE AGENCY

Section 5.01 Duties/Responsibilities

In addition to the general powers and duties of the Agency granted in accordance with this Agreement, it shall be the duty and responsibility of the Agency to:

a. Establish, operate and maintain fire and emergency medical services on behalf of all Participants;

b. Comply with all applicable state and federal statutes, policies, audit requirements, and any directives resulting from those audits and contract requirements;

c. Comply with the requirements and procedures of the Interlocal Cooperation Act;

d. Maintain a complete record of all the acts and affairs of the Agency and meetings of the Board, and present an annual report of the activities and finances of the Agency upon request to the Participants;

e. Authorize and approve expenditures for the creation, maintenance and operation of the programs, facilities and services created as a result of this Agreement;

f. Select and appoint a Fire Chief with such duties as the Board may specify.

g. The Participants acknowledge and agree that employees who are employed by the Bountiful Fire Department and the South Davis Fire District as of December 1, 2004, shall be offered employment by the Agency under such terms and conditions as established by the Agency.

h. The Participants understand and agree that for the new Bountiful fire station #91 just completed, Bountiful will receive a credit of \$3.1 million against any assessments made to Participants for the capital construction improvement program for new fire and emergency medical facilities. After the credit has been fully used, Bountiful will pay its proportionate share of any additional assessments.

ARTICLE SIX TERM AND TERMINATION

Section 6.01 Term

The term of this Interlocal Agreement shall be five (5) years from the Effective Date, subject to sooner termination in accordance with this Agreement or by mutual written agreement of the Participants. The Agreement may be renewed upon terms and conditions mutually acceptable to the Participants.

Section 6.02 Withdrawal

a. Notice of Withdrawal. A Participant may withdraw from the Agency at the beginning of any new fiscal year by giving at least twelve (12) months= prior written notice of withdrawal to the Board and the other Participants, served via certified mail. The notice of withdrawal shall be a resolution of the governing body of the Participant, signed by its executive, and shall be served on the municipal or county executive of each of the other Participants and the chair of the Board. Notwithstanding the foregoing, no Participant may withdraw from the Agency during the term of any agreement entered into by the Agency to finance the acquisition or construction of capital improvements for the Agency, unless mutually acceptable provisions are made whereby such existing agreement is assumed by any Participant, and such provisions are approved in writing under such lease/purchase agreement.

b. Disposition of Property. Unless the withdrawal of a Participant results in the dissolution of the Agency, any withdrawing Participant shall be entitled, subject to equitable adjustment for any prior credits given, to receive back any real or personal property (not consumed) provided by such Participant for use by the Agency under this Agreement, and all leases of such property shall automatically terminate. Agency-funded and Agency-acquired property shall remain with the Agency.

c. Continuation of Agency. Upon the withdrawal of a Participant, the remaining Participants may elect to terminate this Agreement and dissolve the Agency, or continue the Agency for the remainder of the term of this Agreement.

Section 6.03 Dissolution

Unless otherwise determined by the Participants in writing, upon dissolution of the Agency by termination of this Agreement by the Participants or by operation of law, each Participant shall be entitled, subject to equitable adjustment for any prior credits given, to receive back any original equipment or asset the Participant leased, donated, or otherwise provided to the Agency; all remaining assets shall be allocated to the Participants in accordance with their respective cumulative assessments over the life of the Agency. A Participant terminating its membership herein shall have no interest in the assets of the Agency unless it is a Participant at the time of dissolution of the Agency. A Participant that has not paid all assessments due at the time of dissolution shall have no interest in the assets of the Agency.

ARTICLE SEVEN BUILDINGS AND EQUIPMENT

Section 7.01 Ownership of Buildings and Equipment

The individual Participants providing the Agency with fire station buildings, other real property, fire fighting apparatus or other equipment, shall maintain individual ownership of such items until their useful life is extinguished, but shall lease the items to the Agency for a nominal sum under separate lease agreements. The Agency shall own all property it acquires after the Effective Date. The Agency shall maintain insurance on the items owned by the Participants but used by the District. A list of real and personal property provided by the Participants or on some of the Participant=s behalf by the South Davis Fire District is attached to and incorporated in this Agreement as Exhibit C.

ARTICLE EIGHT MISCELLANEOUS

Section 8.01 Additional Participants or Merger

A municipality or other political subdivision of the State of Utah that is not an initial Participant to this Agreement may enter into this Agreement and become a Participant upon a unanimous vote of the Board and upon approval of this Agreement by the governing body of the entity desiring to join. Approval to admit a new Participant shall be based upon and subject to terms and conditions which are mutually acceptable to the Agency and the applying entity. A unanimous vote of the Board shall be required to approve a merger of the Agency with any other entity.

Section 8.02 Documents on File

Executed copies of this Interlocal Agreement shall be placed on file in the office of the Clerk or Recorder of each of the Participants and shall remain on file for public inspection during the term of this Interlocal Agreement.

Section 8.03 Non-Assignability

Neither the Agency nor the Participants shall transfer or delegate any of their rights, duties, powers or obligations under this Interlocal Agreement without the consent of each of the Participants.

Section 8.04 Amendment

This Agreement may be changed, modified or amended by written agreement of the Participants, upon adoption of a resolution by each of the Participants and approval as to form by each respective attorney, and upon meeting all other applicable requirements of the Interlocal Act; provided, however, that this Interlocal Agreement shall not be amended during the term of any lease/purchase agreement contemplated by this Interlocal Agreement and entered into by the Agency without the prior consent of the lessor under such lease/purchase agreement.

Section 8.05 Notices

Any notices desired or required to be given under the terms of this Interlocal Agreement shall be personally delivered to the Participants or mailed by certified mail, return receipt requested, postage prepaid, as follows:

Bountiful:

Attn: City Manager
Bountiful City
790 South 100 East
Bountiful, UT 84010

Centerville:

Attn: City Manager
Centerville City
250 North Main Street
Centerville, UT 84014

Davis County:

Attn: Davis County Clerk/Auditor
28 East State Street
Farmington, UT 84025

North Salt Lake:	North Salt Lake City 20 South U.S. Highway 89 North Salt Lake, UT 84054
West Bountiful:	Attn: City Manager West Bountiful City 645 North 500 West West Bountiful, UT 84087
Woods Cross:	Attn: City Manager Woods Cross City 1555 South 800 West Woods Cross City, UT 84087

Section 8.06 Indemnification

The Agency and the Participants are governmental entities under the Utah Governmental Immunity Act Section 63-30d-101, *et seq.* (the AImmunity Act). Consistent with the terms of the Immunity Act, and as provided herein, it is mutually agreed that the Agency and the Participants are each responsible and liable for their own wrongful and negligent acts which are committed by them or their agents, officials or employees. The Agency and the Participants do not waive any defenses otherwise available under the Immunity Act, nor does any Participant or the Agency waive any limits of liability currently provided by the Immunity Act. The Agency shall defend, indemnify, save and hold harmless the Participants (including their respective elected and appointed officers and employees) from and against any and all demands, liabilities, claims, damages, actions and/or proceedings in law or equity, including attorneys' fees and costs of suit related to or arising from the fire protection services and/or medical services to be provided by the Agency hereunder, except where such demands, claims, actions or proceedings may result from the negligence or misconduct of the Participants or their respective elected or appointed officers or employees. Bountiful shall indemnify and hold harmless the Agency from claims arising out of activities of the Bountiful Fire Department before the Effective Date. The members of the South Davis Fire District shall indemnify and hold harmless the Agency from claims arising out of activities of the South Davis Fire District before the Effective Date.

Section 8.07 Insurance

The Agency shall obtain such liability and other insurance as the Board deems appropriate.

Section 8.08 Governmental Approval, Execution and Resolutions

This Agreement shall be conditioned upon the approval and execution of this Agreement by the Participants pursuant to and in accordance with the provisions of the Interlocal Cooperation Act set forth in Title 11, Chapter 13 of the *Utah Code Annotated* including the adoption of resolutions of approval by the legislative bodies of the Participants.

Section 8.09 Laws of Utah

It is understood and agreed by the Participants that this Agreement shall be governed by the laws of the State of Utah both as to interpretation and performance.

Section 8.10 Severability

If any provisions of this Agreement are construed or held by a court of competent jurisdiction to be invalid or void for any reason, the remaining provisions of this Agreement shall remain in full force and effect.

Section 8.11 Captions and Headings

The captions and headings herein are for convenience of reference only and in no way define, limit or describe the scope or intent of any sections or provisions of this Agreement.

Section 8.12 Broad Construction

It is the intention of the Participants that the joint and cooperative undertaking contemplated in this Agreement be broadly construed to include all actions, undertakings and objectives permitted or contemplated by the Participants.

Section 8.13 Counterparts

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one of the same instrument.

Section 8.14 Amendments

This Interlocal Agreement may be amended only in writing signed by the Participants.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Participants have caused this Interlocal Agreement to be executed on their behalf by the following duly authorized representatives as of the date appearing opposite their signature below.

BOUNTIFUL CITY

Date _____

By _____
Mayor

Attest _____
City Recorder

APPROVED AS TO FORM:

By _____
City Attorney

CENTERVILLE CITY

Date _____

By _____
Mayor

Attest _____
City Recorder

APPROVED AS TO FORM:

By _____
City Attorney

NORTH SALT LAKE CITY

Date _____

By _____
Mayor

Attest _____
City Recorder

APPROVED AS TO FORM:

By _____
City Attorney

WEST BOUNTIFUL CITY

Date _____

By _____
Mayor

Attest _____
City Recorder

APPROVED AS TO FORM:

By _____
City Attorney

WOODS CROSS CITY

Date _____

By _____
Mayor

Attest _____
City Recorder

APPROVED AS TO FORM:

By _____
City Attorney

DAVIS COUNTY

Date _____

By _____
Dannie R. McConkie, Chairman
Davis County Board of County Commissioners

Attest _____
County Clerk

APPROVED AS TO FORM:

By _____
County Attorney

Exhibit A

Description of Agency Area Boundaries

Exhibit B

Schedule of Each Participant=s Proportionate Share of Costs

Exhibit C

List of Assets Provided to the Agency by Participants or on the Participant=s Behalf